

CITY COUNCIL AGENDA REPORT

MEETING DATE: Tuesday, March 25, 2025
TO: CITY COUNCIL
WRITTEN BY: SR. UTILITIES ENGINEER BERRY
PROJECT MANAGER PERALTA
RECOMMENDED BY: PARKS & COMMUNITY SERVICES DIRECTOR CALUBAQUIB
APPROVED BY: TAMARA VIDES, CITY MANAGER
SUBJECT: APPROVE CONTRACT WITH PACIFIC GAS AND ELECTRIC COMPANY FOR THE RAMSAY PARK GAS TRANSMISSION PIPELINES REMOVAL AND PARTIAL QUITCLAIM IN THE AMOUNT OF \$234,961

RECOMMENDATION:

Staff recommends that the City Council adopt a Resolution approving the contract with Pacific Gas and Electric Company for the Ramsay Park gas transmission pipelines removal and partial Quitclaim in the amount of \$234,961.

BACKGROUND:

In the late 1940's the Pacific Gas and Electric Company ("PG&E") installed gas transmission lines in Santa Cruz County. These 8" and 10" lines came from the south, crossing the Pajaro River into Watsonville, with one line running through Rodriguez Street and the other through Walker Street. These lines joined next to each other and were installed under Watsonville slough, reaching up and over the open space which is now Ramsay Park. From there, these lines were routed through the City of Watsonville ("City") continuing into the rest of the county, in order to provide natural gas services.

The lines in the Ramsay Park area have been relocated with different routes throughout the park between 1972 and 2018. The lines that were replaced, now labeled "retired", remain in the ground but are no longer active. Easements are required by PG&E during the installation process. Typically, all gas lines receive an easement from the City, which covers a 20' width, to allow PG&E to access and maintain the piping.

During the design of the Ramsay Renaissance project, the City's consultants worked closely with PG&E in the development of new park facilities to work around these lines and easements, particularly the active gas lines, and adhering to PG&E's strict criteria for clearances and open access.

During construction, it was revealed that a portion of the retired lines conflicts with the new concrete bench seating, including the retaining wall that borders the south side of the renovated Sotomayer Soccer Field. These retired gas lines

need to be removed for the retaining wall and concrete bench seating to be completed. Since these lines are still owned by PG&E, and the easement remains in place, PG&E will remove the lines, but the City is liable for the cost of the removal. The estimated cost of engineering, mobilization, and removal of these lines is \$234,961. The City submitted a \$50,000 advance to PG&E on January 8, 2025. Overall construction on the Ramsay Park Renaissance project will not proceed without payment to PG&E for the remaining balance of \$184,961.

DISCUSSION:

Construction of the facilities designed cannot proceed until the area is cleared of the obstructions, including the retired gas lines. City staff have been working with PG&E for six months on this issue. Further delays in the removal of the retired gas line will have a severe impact on the project. Once the lines are removed, the City will continue to work with PG&E to have the easement area returned by way of a Quitclaim.

Staff recommend that Council adopt a resolution authorizing the City Manager to authorize the contract for removal with PG&E, approve the remaining balance in the amount of \$184,961.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION:

On August 16, 2023, an Administrative Use Permit and Design Review Permit with Environmental Review (PP2022-4245) was approved for the Ramsay Park Renaissance Project by the City of Watsonville's Zoning Administrator with no substantial evidence that the project will have a significant effect on the environment in accordance with Public Resources Code section 21080(c).

On August 29, 2023, a Notice of Determination with a Mitigated Negative Declaration and a Mitigation Monitoring and Reporting Plan (MMRP) was filed with the Santa Cruz CEQA Clerk and Office of Planning and Research by the Zoning Administrator pursuant to CEQA provisions.

The CEQA documentation prepared for the Ramsay Park Renaissance Project serves as the appropriate environmental documentation for proposed Contract Agreement and satisfies all requirements of CEQA. No supplemental environmental documentation is required by CEQA at this time pursuant to CEQA Guidelines section 15162, because no substantial changes are proposed to the Project with this Contract Agreement and no new information of substantial importance has been identified. Additionally, no addendum is required pursuant to CEQA Guidelines section 15164 because no technical changes or additions are proposed through this Contract Agreement. This Contract Agreement does not authorize any actions that will create any environmental impact that have not already been analyzed.

STRATEGIC PLAN:

This recommendation consists of the following Council Strategic Goals:

- 2) Infrastructure & Environment: Renovation of significant City infrastructure
- 6) Community Engagement & Well-Being: Parks support the community's well-being

FINANCIAL IMPACT:

The cost of the contract is \$234,961. A \$50,000 preliminary engineering advance was paid to PG&E and the remaining balance due is \$184,961. There are sufficient funds in the CIP Ramsay Park - Master Plan budget account number 0150-901-7820-15020.

ALTERNATIVE ACTION:

City Council may choose not to approve the contract, and the gas lines will not be removed. This would cause a costly redesign and reconfiguration of the renovation to the Sotomayor Soccer Field.

ATTACHMENTS AND/OR REFERENCES (IF ANY):

- 1) Cover Letter
- 2) Actual Cost Contract
- 3) Invoice
- 4) Ramsay Park APN Map